

# Iowa Department of Natural Resources Environmental Protection Commission

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ITEM

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DECISION

**TOPIC**     **Service Contract To Provide Compliance Inspector Training and Continuing Education (Refresher) Courses to Iowa Licensed UST Professionals**

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**Recommendation:**

Commission approval is requested for a one year, \$24,650 contract with **Petroleum Tank Training Institute (PTTI)**, 725 Progress Drive, Saukville, Wisconsin to provide compliance inspector training and continuing education courses to Iowa Licensed UST Professionals. The contract will begin on April 17, 2008 and terminate on April 17, 2009. The DNR shall have the option to renew this contract for up to five (5) additional one-year extensions. The purpose of the extensions is for training new individuals and conducting continuing education courses, as needed. The cost of each extension shall be negotiated between \$10,000 and \$20,000 per extension. The total length of this contract, including extensions, shall not exceed a six-year period. The total amount of this contract, including extensions, shall not exceed \$125,000.

**Funding Source:**

This project will be funded through **federal State and Tribal Assistance Grant (STAG)** dollars. The Underground Storage Tank (UST) section is allocated a baseline grant each year for program administration. Last year and this year additional federal STAG dollars have been added to the baseline grant specifically to assist states in implementing mandates of the federal Energy Act of 2005 - one provision being an increased inspection frequency for UST facilities.

**Background:**

Iowa statute (455B.474(1)(i)) required adoption of rules establishing a UST compliance inspector certification program administered by the DNR. Rules were adopted in May 2006 that 1) require UST owners /operators to hire an Iowa certified compliance inspector to inspect their UST systems biennially for compliance with regulations (567—135.20), and 2) establish compliance inspector certification criteria (567—134B). The DNR transitioned to third-party inspections in 2007. All facilities were required to be inspected in 2007 and every two years thereafter. Concurrently, the federal Energy Act required all facilities to be inspected by August 2007, and every three years thereafter. The DNR recognized in-house resources were insufficient to meet the mandated inspection frequency; thus, the third-party compliance inspection program was developed. A key component is DNR oversight, training, and certification of inspectors.

In addition, Iowa statute (455B.474(10)) required adoption of rules establishing a certification program for persons who install, inspect installations, test, line or close USTs. Rules were adopted in July 2007 establishing a certification program for these professionals and administered by the DNR (567—134C).

**Purpose:**

The purpose of this contract is to provide required training and continuing education for UST certified professionals. The training for temporarily certified compliance inspectors is to be conducted on two consecutive days, consisting of eight-hour modules per day. Following the training, a continuing education (refresher) course for Iowa licensed installers, installation inspectors, testers and liners will be conducted on the third day and repeated on the fourth day in order to accommodate employees of companies who cannot send their entire staff to participate at the same time. This project consists of the following elements:

A. Compliance Inspector Training: The contractor shall develop and present a two-day compliance inspector training module for compliance inspectors. Two hours of the two-day training will include testing inspectors through an exam provided by the DNR. Training will facilitate formal certification for temporarily certified compliance inspectors and DNR field office staff (who will attend but not participate in certification). At a minimum training will cover tank and line leak detection (including leak prevention and interstitial monitoring), cathodic protection, overfill prevention, spill protection, records review, and secondary containment (sumps and double wall tank and piping systems). The certification process for compliance inspectors involves application, training, testing, and meeting certain qualifications (e.g., being an Iowa Licensed Installer).

B. Iowa Licensed Installer, Tester and Tank Remover Training: The contractor shall develop and present two one-day 'refresher' modules for Iowa Licensed Installers, Installation Inspectors, Testers and Liners covering important technological and trade developments, including but not limited to UST equipment, installation procedures, precision testing, UST permanent closure, Energy Act of 2005 (specifically secondary containment), leak detection, and safety. The Iowa Licensed Installers, Installation Inspectors, Testers and Liners must participate in a refresher course for license renewal.

#### **Consulting Firm Selection Process:**

In response to the Compliance Inspector Training Request For Proposals (RFP), one proposal was received from the following consulting firm: Petroleum Tank Training Institute (PTTI). Four evaluators from the Iowa Department of Natural Resources Underground Storage Tank Section conducted the review of the proposal. Following is a listing of the technical, cost and total scores (maximum total score is 100 points):

<u>Firm Name</u>	<u>Technical Score</u>	<u>Cost Score</u>	<u>Total Score</u>
PTTI	76	15	91

Based on the evaluation and total score, we recommend the Service Contract to Provide Compliance Inspector Training and Continuing Education (Refresher) Courses to Iowa Licensed UST Professionals be awarded to **Petroleum Tank Training Institute (PTTI)**.

Wayne Gieselmann  
Administrator  
Environmental Services Division  
April 8, 2008

## SPECIAL CONDITIONS

## Section 1

## IDENTITY OF THE PARTIES

**1.1 Parties.** DNR is authorized to enter into this Contract. DNR's address is: Wallace State Office Building, 502 East 9<sup>th</sup> Street, Des Moines, Iowa 50319.

Petroleum Tank Training Institute, LLC (PTTI) (“Contractor”), a Domestic Limited Liability Company, is organized under the laws of the state of Wisconsin and authorized to do business in the state of Iowa. The Contractor’s address is 725 Progress Drive, Saukville, WI 53080.

**1.2 Project Managers.** Each party has designated a Project Manager, who shall be responsible for oversight and negotiation of any contract modifications, as follows:

DNR Project Manager: Tom Collins  
Iowa Department of Natural Resources  
Wallace State Office Building  
502 E 9<sup>th</sup> Street  
Des Moines, IA 50319-0034  
515-281-8879  
[Tom.Collins@dnr.iowa.gov](mailto:Tom.Collins@dnr.iowa.gov)

Contractor Project Manager: Marcel Moreau  
PTTI  
73 Bell Street  
Portland, ME 04103  
207-774-9260  
[marcel.moreau@juno.com](mailto:marcel.moreau@juno.com)

## Section 2

## STATEMENT OF PURPOSE

## 2.1 Background.

Iowa Code section 455B.474(1)(i)) required the adoption of rules establishing a UST compliance inspector certification program to be administered by the DNR. IN May 2006, DNR adopted rules that 1) require UST owners /operators to hire an Iowa certified compliance inspector to inspect their UST systems biennially for compliance with regulations (567 Iowa Administrative Code 135.20), and 2) establish compliance inspector certification criteria (567 Iowa Administrative Code chapter 134B). DNR transitioned to third-party inspections in 2007. All facilities were required to be inspected in 2007 and shall be required to be inspected every two years thereafter. Concurrently, the federal Energy Act required all facilities to be inspected by August 2007, and every three years thereafter. The DNR recognized in-house resources were insufficient to meet the mandated inspection frequency; thus, the third-party compliance inspection program was developed. A key component is DNR oversight, training, and certification of inspectors.

In addition, Iowa code section 455B.474(10) required DNR to adopt rules establishing a certification program for persons who install, inspect installations, test, line or close USTs. In July 2007, DNR adopted the required rules establishing a certification program for these professionals and administered by the DNR. These rules are found at 567 Iowa Administrative Code chapter 134C.

**Purpose.** The parties have entered into this Contract for the purpose of retaining the Contractor to provide required training and continuing education for UST certified professionals.

### **Section 3** **DURATION OF CONTRACT**

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**3.1 Term of Contract.** The term of this Contract shall be April 17, 2008, through April 17, 2009, unless terminated earlier in accordance with the Termination section of this Contract.

**3.2 Approval of Contract.** If the amount of compensation to be paid by DNR according to the terms of this Contract is equal to or greater than \$25,000.00 (twenty five thousand dollars), then performance shall not commence unless by April 17, 2008, this Contract has been approved by the Environmental Protection Commission.

**3.3 Renewal.** DNR shall have the sole option to renew and extend this Contract for subsequent periods, for a total of no more than 6 years, by executing a signed contract prior to the expiration of this Contract. The purpose of the five (5) possible one-year extensions is for training new individuals and conducting continuing education (refresher) courses. The cost of each contract extension shall be negotiated between \$10,000 and \$20,000 per extension. The total amount of this contract, including extensions, shall not exceed \$125,000 for the six year-period. The total length of this contract, including extensions, shall not exceed a six year-period.

### **Section 4** **DEFINITIONS**

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“Change Order” shall mean a change in the Scope of Work, implemented according to the requirements of this Contract.

“Contract” shall mean all parts of this contract including, without limitation and by way of example, the first portion of this contract and any exhibits and attachments to this Contract.

“Contractor” shall mean Petroleum Tank Training Institute (PTTI, LLC)

“Deliverables” shall mean services to be provided by, or on behalf of, the Contractor pursuant to this Contract. Deliverables shall include the tasks set out in this Contract and everything produced by the Contractor that is related to the tasks, such as reports, meetings, documentation, designs, copy, artwork, data, information, graphics, images, processes, techniques, materials, plans, papers, forms, studies, modifications, content, concepts, and all other tangible and intangible works, materials and property of every kind and nature that are related to the deliverables. “Deliverables” shall include the training services and participant training handouts to be provided by the Contractor to the DNR under the terms of this Contract.

“DNR” shall mean Iowa Department of Natural Resources.

“RFP” shall mean Request for Proposals No. 08-7331-01 issued by the Iowa Department of Natural Resources for a Service Contract to Provide Compliance Inspector Training and Continuing Education Courses to Licensed UST Professionals.

“State” shall mean the State of Iowa.

“Task Milestone Date” shall mean any of the dates contained in the Contract stating the deadline for accomplishing tasks required by this Contract.

“UST” shall mean Underground Storage Tank.

“Work Product” shall mean the training Services and participant training handouts to be provided by the Contractor to the DNR under the terms of this Contract.

## **Section 5 STATEMENT OF WORK**

**5.1 Statement of Work.** Contractor shall perform the following tasks by the Task Milestone Dates set forth below:

<b>Obligation</b>	<b>Task Milestone Date</b>	
<p><b>Task 1:</b> Contractor shall develop and present a two-day compliance inspector training module for temporarily certified UST compliance inspectors. The training shall be conducted on two consecutive days, consisting of eight-hour modules for each day. The training shall include the following:</p> <ul style="list-style-type: none"> <li>Two hours of the two-day training shall include testing inspectors through an exam provided by the DNR.</li> <li>The training shall facilitate formal certification for temporarily certified compliance inspectors and DNR field office staff (who will attend but not participate in certification).</li> <li>At a minimum training shall cover tank and line leak detection (including leak prevention and interstitial monitoring), cathodic protection, overfill prevention, spill protection, records review, and secondary containment (sumps and double wall tank and piping systems).</li> <li>The training shall encompass the certification process for compliance inspectors, which involves application, training, testing, and meeting certain qualifications (e.g., being an Iowa Licensed Installer).</li> </ul>	Training development and presentation shall occur according to the following schedule, which shall begin on April 17, 2008:	
	<b>Milestone</b>	<b>Week Completed</b>
	Study Iowa UST Rules	Week 1
	Initial Project Meeting	Week 2
	Telephone Interviews	Week 3
	Draft Training Agendas	Week 4
	Revise Training Agendas	Week 5
	Create Training Presentations	Week 8
	Create Training Handout Materials	Week 8
	Distribute Training Presentation and Handouts	Week 10
	Distribute Training Presentations	Week 10
	Deliver Summary Report to DNR	Week 12

<p><b>Task 2:</b> Immediately following the two-day compliance inspector training, the contractor shall conduct a continuing education (refresher) course for Iowa Licensed Installers, Installation Inspectors, Testers and Liners. This training shall be conducted on the third day and repeated on the fourth day in order to accommodate employees of companies who cannot send their entire staff to participate at the same time. This training also shall be developed by Contractor. This training shall cover important technological and trade developments, including but not limited to UST equipment, installation procedures, precision testing, UST permanent closure, Energy Act of 2005 (specifically secondary containment), leak detection, and safety. The purpose of this training shall be to fulfill the requirement that Iowa Licensed Installers, Installation Inspectors, Testers and Liners must participate in a refresher course for license renewal.</p>	Training development and presentation shall occur according to the following schedule, which shall begin on April 17, 2008:	
	<b>Milestone</b>	<b>Week Completed</b>
	Study Iowa UST Rules	Week 1
	Initial Project Meeting	Week 2
	Telephone Interviews	Week 3
	Draft Training Agendas	Week 4
	Revise Training Agendas	Week 5
	Create Training Presentations	Week 8
	Create Training Handout Materials	Week 8
	Distribute Training Presentation and Handouts	Week 10
	Distribute Training Presentations	Week 10
	Deliver Summary Report to DNR	Week 12

**5.2 Final Notice of Acceptance.** If DNR concludes, in its sole discretion, that all the Tasks required by the Statement of Work have been timely completed and all deliverables and services required by this Contract have been satisfactorily completed and delivered, and that the implementation of the Statement of Work is completed and successfully deployed, then DNR shall issue a written Final Notice of Acceptance.

**5.3 Non-Exclusive Rights.** **This Contract is not exclusive. DNR reserves the right to select other contractors to provide services similar or identical to the Scope of Services described in this Contract during the term of this Contract.**

**5.4 Stop Services.** **In addition to its other remedies described herein, DNR shall have the right at any time during the Contract term to direct the services of Contractor fully or partially suspended or stopped, if the deliverables or services fail to conform to applicable specifications and requirements in this Contract. DNR shall give Contractor written notice of a stop work directive. DNR shall provide to Contractor the reasons for the stop work directive.**

**5.5 Industry Standards.** **Services rendered pursuant to this Contract shall be performed in a professional and workmanlike manner in accordance with the terms of this Contract and the standards of performance considered generally acceptable in the relevant industry for similar tasks and projects. In the absence of a detailed specification for the**

**performance of any portion of this Contract, the parties agree that the applicable specification shall be the generally accepted industry standard.**

**5.6 Amendments to Statement of Work – Change Order Procedure. Modifications, deletions and additions may be made to a Statement of Work at any time during the term of this Contract by mutual written consent of the parties. Any amendment to a Statement of Work shall be called a Change Order, and the following procedures shall be followed:**

**5.6.1 Written Request.** DNR shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Services.

**5.6.2 The Contractor's Response.** The Contractor shall submit to DNR a time and cost estimate for the requested Change Order within five (5) business days of receiving the Change Order Request.

**5.6.3 Acceptance of the Contractor Estimate.** If DNR accepts the estimate presented by the Contractor within five (5) business days of receiving the Contractor's response, the Contractor shall perform the modified services subject to the time and cost estimates included in the Contractor response. The Contractor's performance and the modified services shall be governed by the terms and conditions of this Contract.

**5.6.4 Adjustment to Compensation.** The parties acknowledge that a Change Order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract and that such Change Order may require approval of the Natural Resources or Environmental Protection Commission.

**5.7 Incorporation of Documents.** The following documents, and any amendments thereto existing on the date this Contract is signed by DNR, are incorporated into this Contract by this reference: (1) the Request for Proposal No. 08-7331-01, issued on January 14, 2008 and written responses to bidders' question (collectively referred to as the RFP), attached as Exhibit B; and (2) the Contractor's Proposal of February 20, 2008 submitted in response to the RFP, attached as Exhibit A.

**5.8 Preference.** In the case of any inconsistency or conflict between the provisions of this document (including all related schedules and Statements of Work), the RFP or the Contractor's Proposal, the inconsistency or conflict shall be resolved as follows: first, by giving preference to the provisions of this document (including any Statements of Work); second, by giving preference to the provisions of the Proposal; and third, by giving preference to the provisions of the RFP.

## **Section 6 MONITORING AND REVIEW**

**6.1 Task Milestone Dates.** Contractor shall complete its obligations under this Contract by the Task Milestone Dates set out in section 5.1.

Failure by Contractor to complete the above-designated portions of its obligations by the Task Milestone Dates set out in this Contract shall constitute material breach of this Contract by Contractor and shall be grounds for DNR to immediately terminate this Contract for cause.

## **6.2 Performance Measures**

General project communication between the Contractor and DNR shall be through by email, telephone, teleconferences and internet.

The Contractor shall provide to DNR weekly written status reports via email of the progress of all tasks and deliverables. The weekly status reports shall allow DNR to measure the performance of the Contractor. The Contractor shall, as necessary, participate in weekly review meetings scheduled by the DNR Project Manager. Review meetings shall be conducted via email, telephone, teleconferences or the internet.

## **6.3 Monitoring and Reviewing Performance.**

In compliance with the State of Iowa Accountable Government Act, the DNR shall monitor and review the performance of the Contractor on a weekly basis. This shall be accomplished by the Contractor sending weekly status reports of the progress of deliverables via email to the DNR project manager. The weekly status reports shall allow the DNR project manager to monitor and review the performance of the Contractor.

The DNR shall log any complaints regarding Contractor's performance and meet with the Contractor to address those complaints to make sure the Contractor is meeting the deliverables of the Contract and achieving the specified results. The Contractor shall be required throughout the duration of the contract to satisfactorily provide timely resolutions to complaints in order to meet the desired outcomes and deliverables.

**6.4 DNR right to review and observe.** DNR shall have the right to review and observe, at any time, completed work or work in progress. Contractor shall allow the State of Iowa or DNR, to inspect its facilities and books and records relating to invoicing and time records for the purpose of monitoring and evaluating performance of this Contract.